

BROADBAND EXPANSION GRANT APPLICATION

For Fiscal Year 2022

<p>Primary Applicant (Name and Address):</p> <p>Celect Communications, LLC. S131 McKay Ave P.O. Box 189 Spring Valley, Wisconsin 54767-0189</p>	<p>Applications MUST be UPLOADED to ERF via the Commission's website, http://psc.wi.gov/apps35/ERF_upload/content/mymenu.aspx. Refer to section 2.3 for detailed instructions.</p> <p>Applications are due and MUST be uploaded to ERF no later than: March 17, 2022 at 4:00pm (16:00) Central Time. Late applications will not be accepted.</p> <p>Contact for further information:</p> <p>PSCStatebroadbandoffice@wisconsin.gov</p> <p>Date:</p> <p>December 1, 2021</p>	
<p>The Public Service Commission of Wisconsin is seeking applications for Broadband Expansion Grants. The Commission may award one or more grants during Fiscal Year 2022 to public and private entities that meet the eligibility requirements set forth in Wis. Stat. § 196.504. This grant round will be funded with bond proceeds authorized by the Wisconsin Building Commission pursuant to Wis. Stat. § 13.48(30). As such, successful applicants are subject to the requirements of Wis. Stat. § 13.48(30). Successful applicants will demonstrate a clear and achievable plan to improve broadband communications services in one or more underserved areas in the State.</p>		
<p>Applicant Certification: In signing this application, the undersigned verifies under penalty of perjury that the Applicant and its employees and agents have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition with respect to this application; that no attempt has been made to induce any other person or firm to submit or not to submit an application; that this application has been independently arrived at without collusion with any other proposer, competitor or potential competitor; that this application has not been knowingly disclosed prior to the opening of applications to any other applicant or competitor; that all of the responses and representations of Applicant in this application are true and correct to the best of the undersigned's knowledge, information, and belief; and that Applicant agrees to, accepts, and will comply with all of the terms and conditions respecting this application and any award of a broadband expansion grant as may be established in a grant award Agreement.</p>		
<p>Name of Authorized Representative (Type or Print)</p> <p>Mike DeMarce</p>	<p>Title</p> <p>General Manager</p>	<p>Phone ()</p> <p>(715) 778-6121</p>
<p>Signature of Authorized Representative</p> <p><i>Mike DeMarce</i></p>	<p>Date</p> <p>3-14-2022</p>	

SUMMARY OF GRANT APPLICATION

Primary Applicant Name Celect Communications, LLC.	Amount of Broadband Grant Request (round to nearest dollar) \$2,062,512
Federal Employer Identification No. 39-1997890	Amount of Matching Funds Pledged (round to nearest dollar) \$528,738
Contact Name and Title Mike DeMarce, General Manager	Total Cost of Proposed Project (round to nearest dollar) \$2,591,250
Telephone Number (715) 778-6121	Project Name Celect FTTH Phase 2 - Town of Rock Elm
E-mail Address(es) mdemarce@celectcom.com	Type of Proposed Broadband Service (FTTH, Cable, DSL, etc.) FTTH
Grant Manager, if different than Primary Applicant N/A	Grant Manager Federal Employer Identification No. N/A
Grant Manager Contact Name N/A	Grant Manager Email Address and Telephone Number N/A
If the application proposes a public-private partnership, list the names, addresses, and FEINs of the partner companies or organizations Town of Rock Elm: Address: N5412 170th St Elmwood, WI 54740 Phone: 715-639-9212 FEIN: 39-6006088	
Brief Project Description Celect Communications, LLC. will provide a FTTH broadband network for the Town of Rock Elm including 239 resident and 10 business locations in an unserved area.	
Maximum Proposed Download Transmission Speed 1 Gbps	Maximum Proposed Upload Transmission Speed 1 Gbps
Minimum Proposed Download Speed Available To Purchase 100 Mbps	Minimum Proposed Upload Transmission Speed Available To Purchase 100 Mbps
County or Counties served by this project Pierce County	Community or Communities served by this project Town of Rock Elm
List of the broadband service providers, if any, currently serving the area the applicant proposes to serve Broadband service providers currently providing broadband service in portions of the Project area include CenturyLink Tel and Hiawatha Broadband.	

<p>Does proposed project serve an <u>unserved</u> area of the State, as defined in Section 1.4 of the application instruction? (yes/no)</p> <p>Yes</p>	<p>Is the Applicant certified as a Broadband Forward! Community or Telecommuter Forward! Community, or does the grant project propose to serve a Broadband Forward! Community or Telecommuter Forward! Community? (yes/no)</p> <p>Pierce County No</p> <p>Town of Rock Elm No</p>
<p>For last mile projects or component the expected number of Business Locations that will have access to the improved broadband service (i.e., total business locations passed or with new service access).</p> <p>10</p>	<p>For last mile projects or components the expected number of Residential Locations that will have access to the improved broadband service (i.e., total residential locations passed or with new service access).</p> <p>239</p>
<p>Of the improved business locations, how many locations are <i>unserved</i>?</p> <p>10</p>	<p>Of the improved residential locations, how many are <i>unserved</i>?</p> <p>239</p>
<p>For providers that are eligible telecommunications carriers will the proposed broadband service be available to Lifeline customers? (yes/no)</p> <p>Yes</p>	<p>Are there any programs available for low-income households to access low-cost service or discounts? (yes/no)</p> <p>Yes</p>
<p>Is the internet service provider currently participating in the Emergency Broadband Benefit Program? (yes/no)</p> <p>No</p>	<p>Is the internet service provider currently participating in the Department of Public Instruction and CESA purchasing's Digital Learning Bridge? (yes/no)</p> <p>No</p>
<p>Did the internet service provider participate in the Public Service Commission's voluntary Broadband Coverage Data Collection in 2021 (yes/no)</p> <p>No</p>	

FY22 Broadband Expansion Grant Application

Budget & Income Summary



Please complete this form using Microsoft Excel. A PDF copy must be attached to your application as page four. In addition, this form must also be uploaded to ERF in Excel format.

Grant Summary

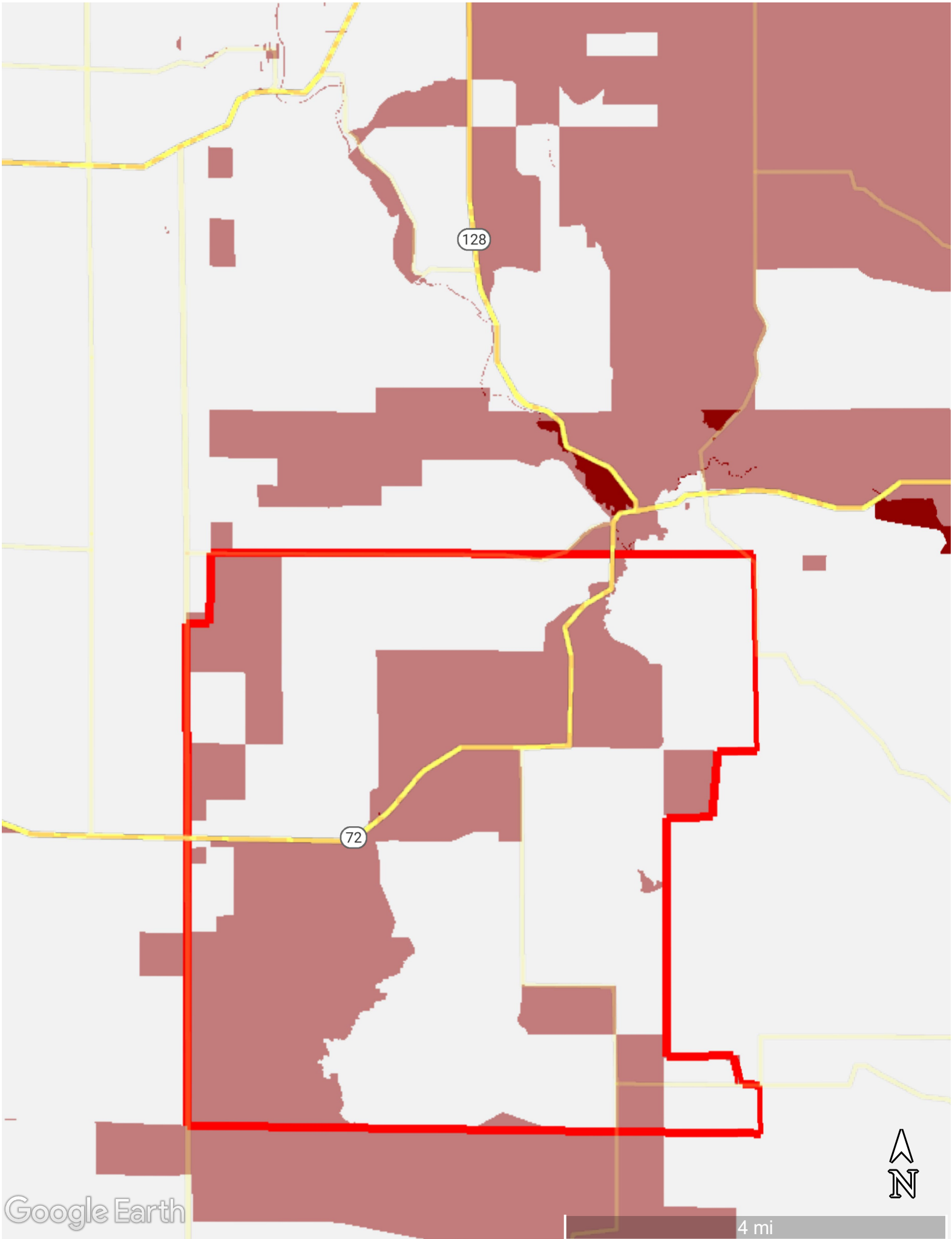
Grant Applicant:	Project:
Celect Communications, LLC.	Celect FTTH Project Phase 2 Town of Rock Elm

Budget

Line:	Description / Category:	Grant Funds:	Match:	Total:
1	Contractual, Consultant Fees	\$ 2,062,512.00	\$ 418,828.00	\$ 2,481,340.00
2	Equipment		\$ 96,800.00	\$ 96,800.00
3	Supplies			\$ -
4	Labor (Salary, Fringe)			\$ -
5	Permitting, Licensing Fees		\$ 13,110.00	\$ 13,110.00
6	Travel			\$ -
7	Other			\$ -
Total:		\$ 2,062,512.00	\$ 528,738.00	\$ 2,591,250.00
20.4% match requested				

Pledged Contributions

#:	Entity:	Entity Type:	Pledge Type:	Pledge:
1	Celect Communications, LLC.	Applicant	Cash	\$ 495,628.00
2	Town of Rock Elm	Partner	Cash	\$ 20,000.00
3	Town of Rock Elm - Permits	Partner	Cash	\$ 13,110.00
4				
5				
6				
7				
8				
9				
10				
Total:				\$ 528,738.00



CELECT COMMUNICATIONS, LLC
ROCK ELM FTTH PROJECT
LOCATION MAP
3/8/2022

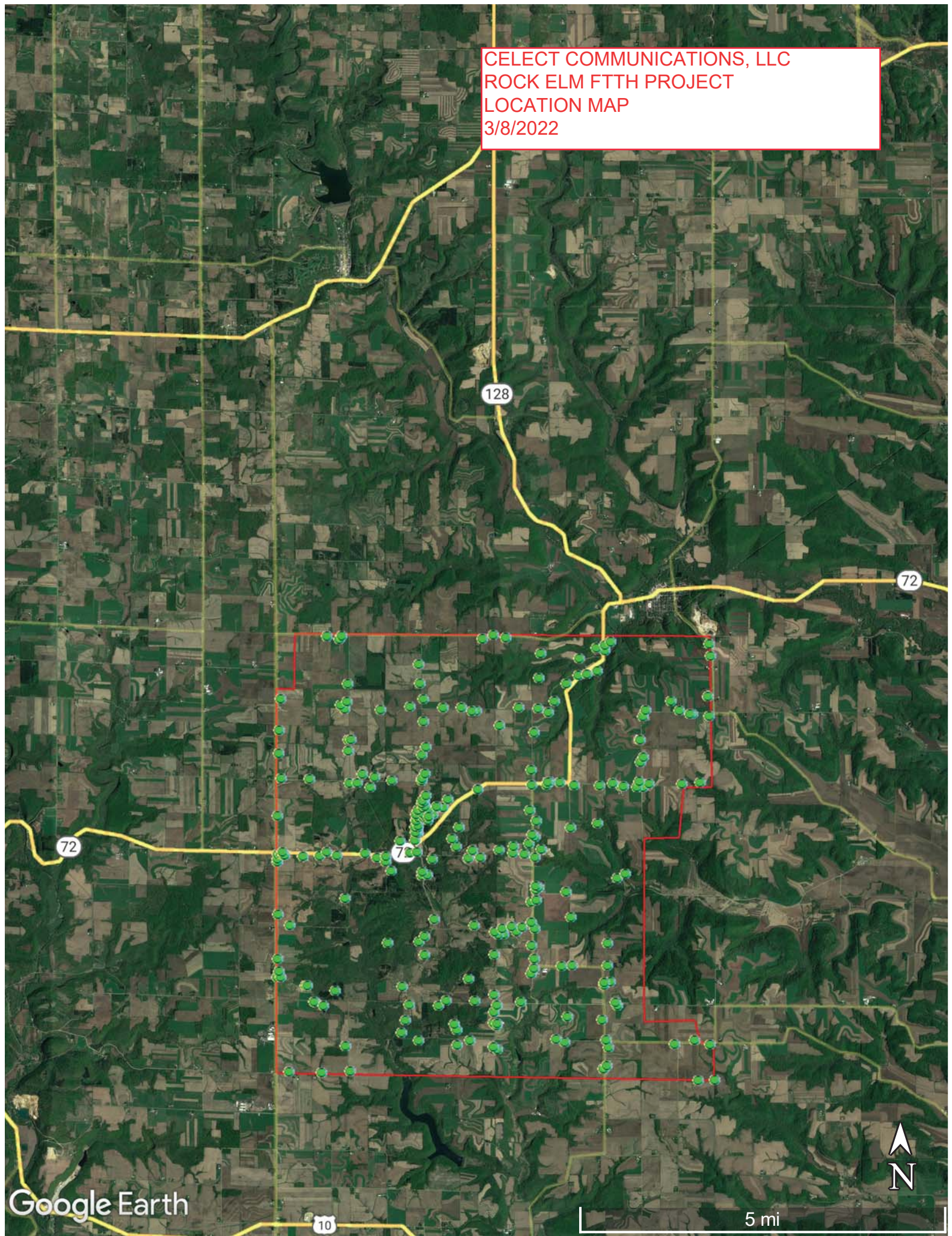


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Table 3	History of Celect Communications, LLC
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B	Public Private Partnership Agreement 1) Town of Rock Elm

2.0 EXECUTIVE SUMMARY

Celect Communications, LLC ("Celect") is a Wisconsin corporation certified by the Public Service Commission of Wisconsin ("Commission") as an Alternative Telecommunications Utility to provide telecommunications service in Wisconsin. Celect is owned by six (6) telecommunications utilities, or their affiliate, who are also Wisconsin corporations certified by the Commission to provide telecommunications service in Wisconsin ("Celect Owners").

Celect has been providing broadband service to customers in Elmwood, Wisconsin since 2000.

Celect provides broadband service with Internet access and cable TV service to about 200 customers in Elmwood, Wisconsin using a coaxial cable network. This coax distribution network was installed in 1981 and is approaching end of service life. Higher broadband speeds cannot be provided with this current distribution network. Celect also provides IPTV video services to approximately 6500 customers of the Celect Owners group.

Celect's current customer base in the Village of Elmwood is limited to Broadband speeds of less than 25 Mbps down and 8.0 Mbps up. Because of the outdated coax cable Broadband speeds cannot be increased or in some locations even maintained.

CenturyLink the ILEC serving carrier does not provide reliable broadband service of at least 5 Mbps Down and .600 Mbps Up to these 249 locations.

The Celect Fiber-To-The-Home ("FTTH") Phase 2 - Town of Rock Elm ("Town") will provide a FTTH distribution network using GPON technology to approximately 10 business and 239 resident locations in the Town ("Project"). This Celect Project will provide up to 1 Gbps symmetric service to the Town of Rock Elm 249 locations. This Project will eliminate an unserved area in the Town of Rock Elm.

Celect has also filed a FY 2022 Wisconsin Broadband Expansion Grant Application Celect FTTH Phase 1 - Village of Elmwood. If the Commission awards this Phase 1 Grant application the Celect FTTH Phase 1 - Village of Elmwood network would be the backbone network to the Celect FTTH Phase 2 - Town of Rock Elm Project. If awarded the Phase 1 Grant would provide a FTTH network with broadband speeds of up to 1 Gbps to an additional 446 unserved and underserved locations.

The Commission Broadband Coverage map does show that this area is served by three of the large mobile wireless providers. However, none of the mobile wireless providers consistently provide broadband service to these customers. The unserved area is not served with broadband service by the incumbent telephone provider, Telephone USA of Wisconsin, LLC d/b/a CenturyLink, ("CenturyLink") or any other provider. We are unaware of any plans to provide facility based broadband service to the Project area by any provider in the near future.

The Commission Broadband Coverage Map does show this area as a Broadband Expansion Grant eligible area. We are unaware of any plans to provide wireline facility based broadband service to the Project area by any provider by December 31, 2024.

Celect has received many calls from residents in this area and currently has a list of customers asking for broadband service. This list can be made available upon request. Phase 1 of this Project would initially provide service to over 446 locations in the grant application area. Phase 2 would provide service to an additional 249 unserved locations. The Project would also provide a pathway to service many more homes in this area in the future. The Project will be costly to construct and the unserved area may never be served without a Wisconsin Broadband Expansion Grant.

The Town has a very good relationship with Celect Many residents and businesses have complained to the Town officials for years about the lack of available broadband services.

The Town has signed a Public Private Partnership Agreement and has agreed to contribute \$ 20,000. to this Project and waive permit and right-of-way fees of \$ 13,110.

FTTH is the perfect solution for this service area as it has upside potential for broadband speeds which is almost unlimited. Celect would install technology called Gigabit Passive Optical Network (“GPON”) which not only provides high speed broadband for Internet access, but also could provide digital IP based voice and video services. Celect would provide any speeds requested, but typical broadband speeds with Internet access chosen by customers are:

Mbps Service Down/Up

300/300 - \$79.95

600/600 - \$99.95

1 GB/1 GB - \$149.95

With no data caps when bundled.

Celect believes this project is exactly what the Wisconsin legislature had in mind when this program was developed and emphasized service to unserved areas as a key factor when awarding a grant.

This Project helps accomplish the goal of the Wisconsin Broadband Plan - 2019 which states "The Broadband Plan's overarching goal is for every Wisconsinite to have affordable access to broadband service, if they so choose, by January 1, 2025." The Broadband Plan is based on investments in Broadband as outlined in the 2019 - 2021 and 2022 - 2023 biannual budgets. Along with the Governor's proposed speed goal of 25 Mbps down and 3 Mbps up for all Wisconsin homes and businesses.

Without a Broadband Grant this unserved area may never get Broadband service as provided in the Wisconsin Broadband Plan - 2019.

Celect is requesting funding from the Wisconsin Broadband Expansion Grant Program to expand broadband service to this unserved Project area. The amount being requested is \$2,062,512 which is 79.6% of the construction cost at the location. With this grant, the Town will be 100% served with broadband service.

Celect staff will work with the Commission staff to provide maps of this Project in an electronic format.

Celect's plan is to continue to build FTTH network in unserved and underserved areas using grants and Celect funding.

3.0 GENERAL APPLICATION REQUIREMENTS

3.1 Application organization and format

This application should be typed, converted to a PDF format and uploaded to the Commission server using the ERF system.

3.2 Mandatory application requirements

An applicant must include the following information in its application to be eligible for this grant and the application must demonstrate satisfaction of indicated requirements.

3.2.1. Applicant identification and contact information

- a. The name and address of the entity applying for the grant, and the mailing address, telephone number and e-mail address of one or more contact persons representing the applicant.

Name of Entity: Celect Communications, LLC.

*Mailing Address: S131 McKay Avenue
PO Box 189
Spring Valley, Wisconsin 54767-0189*

Main Telephone Number: 715-778-6121

Contacts: - Mike DeMarce, General Manager

- b. If the application proposes a public-private partnership, the identity and contact information for all application partners.

This application does propose a public/private partnership agreement as follows:

*Town of Rock Elm:
Address: N5412 170th St
Elmwood, WI 54740
Phone: 715-639-9212*

*Town Chair: Tim Bates
Address: W488 Co. Rd PP
Elmwood, WI 54740
Phone: 715-639-2402 Home*

- c. The application must show that the applicant is an organization, a telecommunications utility or a city, village, town, or county that has established a legal partnership or joint venture arrangement with an otherwise qualified organization or telecommunications utility, and as such meets the eligibility requirements set forth in Wis. Stat. s 196.504(1).

Celect is an Alternative Telecommunications Utility certified to provide telecommunications service in the State of Wisconsin pursuant to Section 196.203 of the Wisconsin State Statute. Celect's PSCW Utility # is 1013.

3.2.2. Description of the project

- a. A static map and description of the area of the State that will be affected by the proposed project.

The attached Maps on Page 5-6 shows the proposed broadband Project area. The proposed Project area is in the Town of Rock Elm in Pierce County, Wisconsin. The Project area is in the Telephone USA of Wisconsin, LLC d/b/a CenturyLink Elmwood, WI rate center. As provided in the Executive Summary this Project includes an unserved area.

Table 1: Project Area Advertised Speed:

<u>Service Provider:</u>	<u>Type</u>	<u>Down</u>	<u>Up</u>
<u>Unserved Area:</u>			
<i>Celect Comm^{1/}</i>	<i>N/A</i>	<i>-</i>	<i>-</i>
<i>CenturyLink^{2/}</i>	<i>ADSL</i>	<i>7.0</i>	<i>1.0</i>
<i>CenturyLink^{2/}</i>	<i>ADSL</i>	<i>15.0</i>	<i>.768</i>
<i>CenturyLink^{2/}</i>	<i>ADSL</i>	<i>10.0</i>	<i>.768</i>
<i>CenturyLink^{2/}</i>	<i>ADSL</i>	<i>20.0</i>	<i>2.0</i>
<i>VIASAT</i>	<i>Satellite</i>	<i>100</i>	<i>3</i>
<i>Hughes Net</i>	<i>Satellite</i>	<i>25</i>	<i>3</i>
<i>AT&T WI</i>	<i>Fixed Wireless</i>	<i>10</i>	<i>2.0</i>

Underserved Area:

<i>Celect Comm^{1/}</i>	<i>N/A</i>		
<i>CenturyLink^{2/}</i>	<i>VDSL</i>	<i>80.0</i>	<i>10.0</i>
<i>CenturyLink^{2/}</i>	<i>VDSL</i>	<i>40.0</i>	<i>3.0</i>
<i>Hiawatha^{3/}</i>	<i>Fixed Wireless</i>	<i>60.0</i>	<i>15.0</i>
<i>VIASAT</i>	<i>Satellite</i>	<i>100</i>	<i>3</i>
<i>Hughes Net</i>	<i>Satellite</i>	<i>25</i>	<i>3</i>
<i>AT&T WI</i>	<i>Fixed Wireless</i>	<i>10</i>	<i>2.0</i>

The unserved area is defined by Map #2 on Page 5 and includes about 249 locations. Celect will provide a FTTH network to all locations requesting Celect broadband service.

1/ Celect Communications, LLC does not currently provide Broadband service at this area.

2/ The CenturyLink Broadband network is a fiber copper network and can only provide the advertised speeds with in a limited distance from an access node.

3/ Celect is not aware of any areas that Hiawatha Broadband can provide Broadband service in the Project area.

- b. If the project area lies within a census block designated as served on the PSC Broadband Map, provide additional documentation to demonstrate the actual broadband service that is available in the proposed project area.

In the unserved portion of this Project area no wireline or fixed wireless provider is offering reliable Internet service of actual speeds of at least 5 Mbps for download transmission and 600 Kbps for upload transmission for the resident or business locations. The Wisconsin Broadband Map does show this Project area as having no broadband providers.

- c. An explanation of how the proposed project will increase broadband access.

This proposed project would increase broadband access as follows:

- 1) Potential and expected number of households served:

a) Potential households in unserved area are 239. Expected households to be served are 177.

b) Potential households in the underserved area are 0. Expected households to be served are 0.

- 2) Potential and expected number of businesses served:

a) Potential business locations in the unserved area are 10. Expected business locations to be served are 10. Once broadband service is available in this unserved area businesses will locate in the area. Broadband service will be provided as requested.

b) Potential business locations in the underserved area are 0. Expected business locations to be served are 0.

- 3) Expected number of seasonal residents and tourists served.

See Section 3.2.5.i and Exhibit A Broadband Surveys.

- 4) Estimated download and upload speed of the broadband service packages available for purchase.

Celect will provide broadband down/up speeds at a minimum 100 Mbps/100 Mbps with 1 Gbps/1 Gbps available to all locations.

- d. A statement whether the proposed project is targeting the “last mile,” “middle mile,” or “backbone” portion of the broadband infrastructure.

The proposed Project is targeted for last mile of the dedicated broadband infrastructure. Celect is currently providing wireline broadband service and has access to adequate middle mile and backbone Internet access.

- e. A description of the broadband service to be provided, including estimated download and upload speeds, whether that speed is based on dedicated or shared bandwidth, and the technology that will be used. This description may be illustrated by a map or schematic diagram, as appropriate.

Celect is currently providing dedicated wireline broadband services using a combination of fiber and coaxial facilities. Speeds are as provided in the Executive Summary.

Celect will provide dedicated broadband service using a Fiber-To-The-Home network with Gigabit Passive Optical Network (“GPON”) technology. This fiber network will be similar to the fiber network currently in place and used in the service territories of the six Celect Owners group. The latest technology will be used to provide the highest quality of service.

- f. A schedule by which the applicant intends to complete the components of the proposed project. The project period is up to 24 months.

If the grant application for the Project is approved by June, 2022, Celect is proposing the following schedule:

<i>Jul - Aug, 2022</i>	<i>Order equipment/Staking</i>
<i>Aug - Oct, 2022</i>	<i>Bury cable and install main line</i>
<i>Sept - Dec, 2022</i>	<i>Install electronics at customer locations</i>
<i>Sep, 2022 - Feb, 2023</i>	<i>Turn up service</i>
<i>March, 2023</i>	<i>Request final payment of Grant Funds</i>

3.2.3. Itemized Budget

- a. In addition to the Summary of Project Budget that is included as page 4, applicant should include a price list or quote for any equipment the applicant intends to purchase, including capital expenditures. The application should also indicate whether the facilities involved would be owned, rented or leased.

Table 2: Project Construction Costs:

The Celect FTTH Phase 2 - Town of Rock Elm Project summary of the construction cost for the fiber network is provided below. All fiber construction will be provided by a third-party contractor. All of the network will be owned by Celect.

<u>DESCRIPTION</u>	<u>Total Cost</u>
<i>Engineering</i>	<i>\$ 217,200</i>
<i>Buried Fiber Network:</i>	
<i>Mainline Fiber</i>	<i>\$ 2,264,140</i>
<i>ONT/Enclosures</i>	<i><u>74,800</u> 2,338,940</i>
<i>Electronics and Equipment:</i>	
<i>Splitter Cabinet/Co Equipment</i>	<i>\$ 10,000</i>
<i>Splitters</i>	<i>6,000</i>
<i>GPON SFP's</i>	<i><u>6,000</u> 22,000</i>
<i>Permits</i>	<i><u>13,110</u></i>
<i>Total</i>	<i>\$ <u>2,591,250</u></i>

- b. The application must show that the grant, if awarded, will not subsidize the expenses of a telecommunications provider or the monthly bills of telecommunications customers. For purposes of this grant program, subsidy means a contribution to the operating costs, including profit, of the telecommunications provider.

The grant funds requested will not subsidize the expense to provide telecommunications services to end user customers.

The grant funds requested in this Application will only be used to help pay for a portion of the fiber network and electronics used to provide broadband. No grant funds will be used for monthly recurring operating costs for broadband or telecommunications services.

- c. The application must show that the grant funds requested will be used for the sole purpose of constructing broadband infrastructure in the underserved areas covered by the application. Construction of broadband infrastructure may include any of the following:
- Project planning that takes place during the performance period.
 - Obtaining construction permits.
 - Construction of facilities including construction of both “middle mile” and “last mile” infrastructure.
 - Installation and testing of the broadband service.

See Table 2 above for a summary of Broadband construction costs.

3.2.4. Priority factors supporting the application

- a. **Matching funds.** A description of the matching funds the applicant will invest in the proposed project, if any. For each element, indicate the type of match (cash, salary expense, or in-kind contribution). If the application is submitted by a partnership, identify the partner responsible for providing each element of the proposed matching funds. Note: The requirement for this information is satisfied via inclusion of the completed Funding Statement as page 4 of the Application.
- If available, provide documentation to support an offer of matching funds (minutes of a town board meeting, a letter from a prospective customer or local government official, etc.).
 - Matching funds contributions must be a firm commitment of funding to the project. Contributions that vary based on the amount of actual sales, customer contributions, or other criteria will not be given weight.

As provided on Table 2 the total construction costs for this fiber project is \$2,591,250. Celect matching funds will be a combination of cash and Celect labor. Detail of the matching funds is provided in Funding Statement on page 4 of the Application.

The grant request in this Application is \$2,062,512 or 79.6% of the new construction costs. These funds will be used for third-party contractors for the fiber and burying the fiber.

Matching fund contributions will also be provided as follows:

<i>Town of Rock Elm - Cash</i>	<i>\$20,000</i>
<i>Town of Rock Elm - Waive Permits</i>	<i>\$13,110</i>

The balance of the construction project will be paid for by Celect.

- b. **Public-private partnership.** If the public-private partnership is memorialized in a joint venture agreement or other writing, provide a copy of that agreement. If the partnership has not been reduced to a written agreement, provide a short description of the management role, financial commitment, or other contribution to the project for each participating partner.

- In scoring this element, information regarding active engagement of diverse communities in the planning, permitting, or marketing of the project will be given weight as well.

This Project includes the following Public Private Partnership Agreement:

The Town of Rock Elm has agreed to a cash contribution of \$20,000 and to reduce or eliminate any fees for the Project. The \$20,000 investment will be used to pay for fiber buried plant. See Exhibit B - for a copy of the Agreement.

- c. **Existing broadband service.** A list of the broadband service providers, if any, currently serving the area the applicant proposes to serve. In scoring this element, the following factors will be taken into account:
- The degree to which the proposed project avoids duplicating existing broadband infrastructure.
 - The application of a wireless broadband service provider proposing significant overlap with existing broadband service in addition to service to an unserved area will not be given priority consideration.
 - Provide a list of all landline broadband service providers (DSL, cable or fiber to the home) and fixed wireless broadband service providers that overlap the footprint of the proposed broadband project.
 - If known, provide an estimate of the customers within the proposed footprint that are served by competing landline and fixed wireless broadband service providers, and the download/upload speeds offered by those competing service providers.
 - Provide a list of mobile wireless broadband service providers that overlap the footprint of the proposed project.
 - If known, provide an estimate of the customers within the proposed footprint that are served by competing mobile wireless broadband service providers, and the download/upload speeds offered by those competing service providers. (The presence of existing mobile wireless providers does not contribute to or affect the evaluation of existing broadband service in the project area for purposes of priority consideration, but provides a more complete picture of the broadband options available to residents.)

Because of the very rural area of the State and the rough wooded areas no other broadband provider will build a network in the unserved area of this Project. If and when CenturyLink deploys broadband service to this area it is not expected to meet the broadband speeds of 25 Mbps down and 3 Mbps up.

See Section 3.2.2.a Table 1 for a summary of wireline and fixed wireless broadband service providers in the Project areas.

There are no other landline or fixed wireless providers providing reliable broadband service at the required levels that overlap the Project unserved area.

- d) **Project impact.** A description of the geographic area and the population, both in terms of absolute numbers and likely users, which will be serviced by the proposed project. Indicate the number of anticipated residential and business customers in the project area, if known. Explain the speed and quality of internet service that will be available. Include information about the range of packages

available for purchase. Provide details on any low-income access programs and steps the project will take to support adoption.

The Project currently includes 239 resident locations and 10 business location.

If the Commission awards the grant application to Celect the following broadband expansion will occur:

- 1) All 239 resident locations in the unserved area will have access to a minimum of 100 Mbps/100 Mbps broadband service.*
- 2) The 10 business location in the unserved area will have up to 1 Gbps/1 Gbps available from Celect.*
- 3) Future homes and businesses in the Project area through growth and developments will also have access to this fiber network.*
- 4) Not only will the Celect fiber route and FTTH Project provide high-speed broadband service to over 249 locations, the following locations will benefit by the availability of the fiber route:*
 - Mayo Clinic Health System will have access to more of their patients in the Project area to provide health care services through the use of Telehealth.*
 - High-speed broadband will be available to several customers that work from their homes or telecommute to their business location.*
 - Locations that have security systems will be able to use them with a higher quality of monitoring..*

- e) **Scalability.** A description of how the proposed project could expand or improve the broadband service it delivers, while maintaining the quality of its broadband service. This description should include specific projected increases in the following parameters that are known at the time of the application:
- The number of users.
 - The number of network nodes.
 - The number of services provided.
 - The geographic area served by the project.

This description may also include a discussion of possible growth potential that is outside the commitment the applicant is making as part of its application.

The FTTH Project is Scalable and would provide Celect a pathway to service many more homes in unserved and underserved areas in the future. The Project will serve an area of approximately 32.8 square miles. The Celect FTTH Phase 1 - Village of Elmwood Project will provide a fiber network to this Celect FTTH Phase 2 - Town of Rock Elm Project, Broadband Expansion Grant Application. The Town of Rock Elm will add another 249 unserved locations to the Celect FTTH network.

The Celect broadband Project described in this Application will be built to provide broadband service to the current 249 locations, 1 Gbps service to all future businesses to be located in the Project business area, and will also be built to provide service to any new residential subdivisions in the Project area.

The fiber network for this Project, which is included in this Project area, will be the fiber backbone for the future economic development in the Town and Village.

- g) **Economic Development.** A description of how the proposed project will promote job growth or retention, expand the property tax base or improve the overall economic vitality of the municipality or region. This description may be supplemented with a letter from one or more persons discussing the potential economic impact the project could have for that individual or business.

In scoring this element, the following factors will be taken into account:

- A discussion of potential economic impact the project could have for an individual business located in the project area.
- An explanation of how an improved download and upload transmission speed could better support a specific business in the project area.
- An explanation of the likely impact improved broadband service could have on residential property values, supported by local sales data if available.
- A demonstration of how improved broadband service to a residential portion of the project could benefit a telecommuting population.
- A demonstration of how the speeds and service being offered by the project fits with current and future economic needs of the community and local businesses.

High speed broadband service is an essential element for economic development in any rural community. A FTTH broadband network with 1 Gbps service available throughout the Project Area meets the customer needs now and future increased demands. Broadband provides the ability for businesses to add employees and provide on-line training to existing employees for employment retention. High speed broadband also provides residents with access to health care facilities, education facilities and world-wide access for on-line purchases of services and products. Also telecommuting provides an opportunity for residents to save on travel costs and drive time to a work location.

See Exhibit A Letters of Support and Broadband Surveys for specific examples of how broadband service supports economic development in a community.

- h) **Effect upon broadband service to adjacent areas.** A description of whether the proposed project will or will not impair the ability of a broadband service provider or competing broadband service provider to extend broadband service to areas adjacent to the proposed project area.

This Project will not impair the ability of a broadband service provider to extend broadband service to areas adjacent to this Project area. See Page 6 – Map #2. Celect plans to offer broadband service to all unserved and underserved locations in the Project area.

If the Commission is aware of any adjacent areas that CenturyLink is not providing broadband service, Celect would be very interested in working with the Commission Wisconsin Broadband Office to expand the Celect fiber network to those areas.

3.2.5. Other information supporting the application

- a. A description of applicant's history or experience constructing broadband communications facilities in the state and elsewhere.
- If applicable, an applicant must comment upon the status of all prior broadband expansion grant projects, including the type of broadband technology used, the facility route actually built or installed, the number of residential and business customers actually connected, and other relevant details of the prior project(s).
 - An applicant may also comment on broadband construction projects undertaken in prior years that were not funded in part by the Broadband Expansion Grant program.

See the Executive Summary and History of Celect Communications, LLC. on Table 3.

- b. A description of how the proposed project will or will not duplicate existing broadband infrastructure.

In the Project unserved area there are no providers currently providing broadband services at speeds of 5 Mbps Down/600 Kbps Up. Customers in this area have contacted CenturyLink and asked when or if broadband service will be available. CenturyLink has not been able to provide any assurance of availability.

Celect will provide broadband speeds of up to 1 Gbps to requesting locations.

- c. A description of an applicant's financial ability to undertake the proposed broadband construction project. This may include information such as the number of years the company has been in operation, documentation of successful completion of similar infrastructure projects, evidence that sufficient funds are available to cover project expenditure and match, customer turn-over rates, and credit rating.

Celect has been providing broadband service since 2000. Celect has the experienced staff and finances to undertake this Project. Also see Table 3 for a History of Celect Communications, LLC.

- d. A description of how the proposed project will affect the ability of individuals to access health care service from home, including any impact upon the costs of those services.
- Specific information from a hospital or clinic in the project area that currently uses or intends to use home-based telemedicine equipment to enhance access health care service would best illustrate this point.

All customers that request Celect broadband service will have more than adequate broadband speed available to have access to health care facilities from their home. This broadband service will help reduce health care costs for transportation to medical facilities, office visit charges and provide faster response times. Customers will also be able to take advantage of online health monitoring applications. Such online services include: blood pressure along with blood clot monitoring, oversight of insulin and pain pumps, in home cancer treatments, exercise and diet monitoring, adjustment to pacemakers and other heart monitors and monitoring of diseases. In addition, those Veterans who reside in this rural area that have far distances to travel to reach a VA facility will be able to subscribe to a high-speed service that would provide video conferencing.

- e. A description of how the proposed project will affect the ability of students to access educational opportunities from home.
- Specific information on the likely number of students that will benefit from improved access to educational opportunities from home would be useful.
 - Specific information regarding educational programs that are currently available for students in the project area would be useful.

All customers that request Celect broadband services will be pleased to know that all students in the household will have more than adequate broadband speeds for all homework assignments, research and access to all educational opportunities on the web. Students that are assigned a computer, by the area School District, will now be able to do assignments, school projects and homework from home. See Exhibit A for Letters of Support from area School Districts. Also, online undergraduate and graduate education programs will be available to all households. All available at very reasonable pricing as provided in the Executive Summary.

- f. A description of actions taken by a city, village, town, or county in support of the grant application, including that have not been discussed in the context of a public-private partnership above, but not limited to:
- The contribution of funds, easements or permissions to use publically-owned real estate, construction materials, or other items of value to the grant project.
 - The contribution of in-kind assistance to the grant project in the form of waived fees and expenses for obtaining use permits and permissions.
 - The contribution of other items of benefit to the grant project, such as public outreach and education, vehicles, water, etc.
 - Certification as a Broadband Forward Community or Telecommuter Forward Community.

See Exhibit B for the Town of Rock Elm Public Private Partnership Agreements.

- g. Letters and messages in support of the application submitted by prospective customers, local government officials, and other interested persons.

See Exhibit A and Table of Contents for a list of Letters of Support and Broadband Surveys available but not filed with this Application.

- h. Any other equitable factor that the applicant desires to discuss, including one or more of the factors in Wis. Stat. § 196.03(6) that the applicant believes its project would advance. In discussing this element, the following information may be useful:

1 Technical support and training materials that the applicant intends to provide.

Celect has a Network Operations Center (“NOC”) with trained staff that manage and monitor our network. Our business is that of helping networks run correctly, and more importantly, run smoothly. We will offer a managed WIFI service to all of our broadband customers. In addition to conducting remote checks we will monitor vendor releases, software updates, and maintain network security and performance for all of our customers that subscribe to our managed WIFI service. We will support 24/7/365 through our NOC.

- 2 Information that the applicant intends to use to promote better broadband adoption and use.

We will do premise visit to every address to discuss Fiber to the Home (FTTH) with all of our grant projects. We provide the new customers with

a packet of information, including the stages of building our all fiber optic network to them. At that time, customers sign our permission slips to bury fiber optics on their property, and more often than not, customers select the services bundle they want to have installed.

3 A description of a program or outreach to provide assistance to individuals of low income.

Celect provides various programs and outreach to provide assistance to individuals of low income, including the following:

- *As an Eligible Telecommunications Carrier Celect will provide discounts to resident customers for broadband service in accordance with Section PSC 160.062 Lifeline Program of the Wisconsin Administrative Code and FCC regulations for Lifeline support.*
- *Celect will also work directly with all local school districts to identify students that are not connected to a broadband service and determine if Celect has facilities at that students home location*

Celect's plan is to continue to build FTTH networks in unserved and underserved areas using grants and Celect funding.

Celect will provide the Commission any additional information needed to approve this Application.

Celect staff will work with the Commission staff to provide maps of this Project in an electronic format.

i. Secondary benefits of this project include.

- *Telecommuting. Celect, the Village and the Town are planning to establish this area as a Telecommuting focused area. Promoting that both resident and business can work from their home to business locations in both Wisconsin and Minnesota.*
- *Tourism. Because of the local rivers and numerous lakes in the County, the Project area is a large tourism destination drawing people from all over the United States. There are many places for fishing, hiking, biking, and site seeing. The many miles of country roads also provides for an excellent area for motorcycle riding and touring. Many tourists would spend extended vacation times in the area if they have broadband Internet access service which allows them to work out of their vacation location, currently they are limited to just a weekend trip without broadband. With the potential to stay the entire season or even an extended weekend drives up tourism dollars.*
- *Increased tourism not only helps economic development in the area by increased job opportunities but also sales of products and services for the local business community.*

TABLE 3
CELECT COMMUNICATIONS, LLC.
FY 2022 BROADBAND EXPANSION GRANT APPLICATION
HISTORY OF CELECT COMMUNICATIONS, LLC.

Six Wisconsin telephone companies purchased a small CATV system known as DeMarce TV & Cable on September 8th, 2000 and Celect Communications, LLC was formed. Celect Communications, LLC is currently providing Broadband Internet access and Cable TV service to the Village of Elmwood, WI serving approximately 200 subscribers and IPTV video service to its Celect Owners serving approximately 6500 subscribers located throughout west central WI.

Pierce County Wisconsin

Pierce County Highway Department

621 Cairns Street, P.O. Box 780

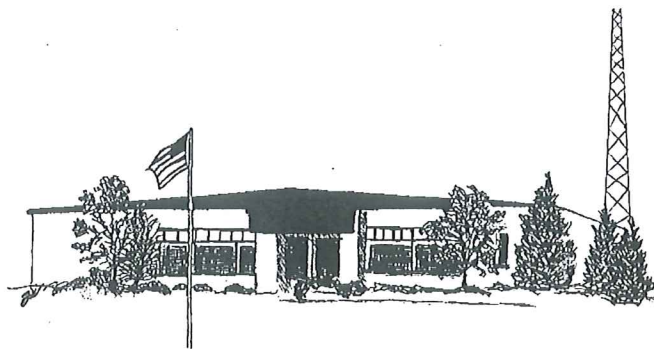
Ellsworth, Wisconsin 54011

Office Phone: (715) 273-5096 Office Fax: (715) 273-6857

Shop Phone: (715) 273-6793 Shop Fax: (715) 273-6858

E-mail: chad.johnson@co.pierce.wi.us

Web site: www.co.pierce.wi.us



March 10, 2022

Wisconsin Broadband Office Public Service Commission of Wisconsin

Mr. Dennis Klaila

4822 Madison Yards Way

Madison, WI 53705

Dear Mr. Klaila,

I would like to take this opportunity to express my strong support for Celect Communications, LLC application for the Celect FTTH Phase 2-Town of Rock Elm Project. Celect Communications, LLC fiber-to-the-premises expansion project will address the lack of adequate broadband Internet access and connectivity in this rural area.

This expansion request, if approved, will dramatically improve existing broadband coverage to our communities. It brings about lasting, future-proof infrastructure that meets the demands of today's households and businesses, and will likely spur needed job growth and telecommuting opportunities in and around Pierce County.

Additionally, I feel strongly that this project will enable greater collaboration and teamwork between community service centers, public safety offices, as well as county and municipal offices.

I respectfully ask for your support for Celect Communications, LLC Rural Spring Lake and Rock Elm Townships Fiber Project's.

Sincerely,

Chad A. Johnson, P.E.
Highway Commissioner
Pierce County, Wisconsin



School District of Elmwood

Superintendent
4K-4 Principal
Glenn H. Webb
715-639-2711

213 S. Scott St.
Elmwood, WI 54740
www.elmwood.k12.wi.us
Fax: 715-639-3110

5-12 Principal
Thomas M. Sauve
715-639-2721

March 14, 2022

To Whom It May Concern,

Please accept this letter of support for the Celect Communications, LLC application for the Celect FTTH Phase 1-Village of Elmwood Project and Phase 2-Town of Rock Elm Project.

These two projects are essential to help improve the broadband access for our faculty and student body. A number of teachers and other staff members have not been able to work remotely, and students living in areas with limited broadband access have not been able to take advantage of virtual learning opportunities.

Broadband access is a significant concern in the School District of the Elmwood School area, and this issue has been greatly emphasized during the COVID-19.

During the COVID Pandemic shutdown, we sent Chromebooks home with all students, but some didn't get good service, so we sent hot spots with the students also.

Sincerely,

Linda Garfield
Administrative Secretary



**BROADBAND ACCESS GRANT APPLICATION
PUBLIC PRIVATE PARTNERSHIP AGREEMENT**

This Public Private Partnership Agreement ("Agreement") is made by and between the Town of Rock Elm, a Wisconsin municipal corporation (the "Town") and Celect Communications, LLC a Wisconsin corporation ("Celect"). The Town and Celect are individually referred to as "Party" and collectively referred to as "Parties".

WHEREAS, the Town seeks to help provide access to broadband services in unserved and/or underserved areas and to encourage economic development within its boundaries; and

WHEREAS, Celect proposes to construct broadband infrastructure to reach certain unserved and/or underserved resident and business locations requesting broadband service in the Town where such service is currently unavailable or is prohibitively expensive; and

WHEREAS, Celect is applying for a Fiscal Year 2022 Broadband Expansion Grant ("Grant") to build Fiber-To-The Home ("FTTH") in a hard-to-serve area in the Town. The project area includes a fiber optic network serving approximately 249 locations in the unserved/underserved areas outlined in Exhibit A. ("the Project"); and

WHEREAS, Future homes and businesses in the Project area, through growth and development, will also have access to the Celect fiber network for high speed Broadband service, and

WHEREAS, the Town is a political subdivision of the State of Wisconsin; and

WHEREAS, the Town desires to enter into this Agreement to work with Celect to secure funding through application(s) to public grant and loan programs intending to construct broadband Infrastructure or through alignment of other appropriate external funding sources for economic development to support the Project; and

WHEREAS, at the March 1, 2022 Town Board meeting, the Board voted to proceed with Celect and the proposed joint broadband Project between the Town and Celect, and to contribute an amount of \$ 20,000.00 to extend fiber into the Project area upon the award of a Wisconsin Public Service Commission ("Commission") Grant; and

WHEREAS, the Town will assist in public education, outreach, and mutually agreed upon operations in support of successful Project outcomes. The Town shall also provide in-kind assistance to the Project in the form of waived fees for permitting, zoning, rights of way, and easements necessary for the Project valued at approximately \$13,110.00. Celect will follow the terms of the Town of Rock Elm's Utility Ordinance number 2018-2 and has received a copy of ordinance; and

WHEREAS, enhanced broadband access and availability will be utilized to position the Town for desirable economic growth through addressing existing service disparities, while

providing a means for accessing the advantages of technology-based economic development practice for the subject localities.

NOW, THEREFORE, the Parties agree as follows:

1. Purpose. The Parties, agree to cooperate and exercise their powers jointly for the purpose of providing support and/or revenues for the Project – Exhibit A includes a map showing the Project area where Celect fiber facilities are to be installed. The Project will extend Celect's existing broadband network with a Fiber-to-the-Home ("FTTH") network to existing resident and business locations in the Project area. The FTTH network will also be available a for all future businesses and residences that will be located in the Project area.

2. Authorization. Each Party shall authorize the execution, delivery and performance of this Agreement.

3. Project Funding. Celect intends to request a Commission Grant. The Town has agreed to provide a contribution of \$ 20,000.00 to the cost of the Project, to be paid as provided in section 4 below. Celect, directly and through other sources, will provide the balance of the funding for the Project. If the Grant is awarded, Celect may accept the Grant and enter into an acceptable Commission Broadband Grant agreement or, in Celect's sole discretion, may decline the Grant and not enter into a Grant agreement. The Town's contribution shall only be payable if the Grant is accepted.

4. Payment to Celect. The Town shall pay the amount of \$ 20,000.00 as follows:

Start of fiber construction	\$ <u>10,000.00</u>
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Final Project Status Report submitted to Commission	\$ <u>10,000.00</u>
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5. Project Ownership. Celect shall have sole ownership of the Project and shall be solely responsible for the construction, operation, and maintenance of the Project.

6. Liability. Celect shall have sole liability for the Project and any and all claims, obligations, liability, costs, demands, damages, expenses, fines, penalties, or causes of action ("Claims") that may arise from the Project and its construction, operation, or maintenance. Each Party and its successors and assigns shall indemnify and hold the other Party and its officials, employees, and agents harmless from any and all Claims, including the costs of litigation and reasonable attorney's fees, which may arise out of the ownership, construction, maintenance, or operation of the Project regardless of any fault on the part of the Party, its officials, employees, or agents.

7. Records. Celect will maintain records related to the Project; and, during the Project, Celect will make those records available upon reasonable request of the Town.

8. Report. Until completion of the project, Celect shall meet with the Town on a semi-annual basis for the purpose of presenting an oral report on the status of the Project. The date, time and place of such meeting shall be determined cooperatively among the Parties. No less than seven (7) days prior to such meeting Celect shall provide a written report regarding siting, construction progress with respect to the Project.

9. Effective Date. This Agreement shall become effective upon its execution by both Parties.

10. Termination Date. If the Grant is awarded, this Agreement shall terminate 30 days after Town's final payment to Celect. If the Grant is not awarded, this Agreement shall terminate upon notice from the Commission that the Grant will not be awarded. If the Grant is not awarded, neither Party shall have any obligation to proceed with the Project or make any payment related to the Project. If the Grant is awarded in an amount less than requested in the Grant application, the Parties shall confer and determine the feasibility of proceeding with the Project.

11. Amendments. Any amendments to this Agreement must be in writing and signed by the Parties.

12. Entire Agreement. This Agreement, including its recitals and exhibits constitutes the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement. There are no representations or understandings of any kind not stated in this Agreement.

13. Governing Law. This Agreement shall be governed by the laws of the State of Wisconsin.

14. Counterparts. This Agreement may be executed in two or more counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

THE TOWN OF ROCK/ELM:

By: Tim Bates
Tim Bates - Chair

Date: Mar 10, 2022

CELECT COMMUNICATIONS, LLC:

By: Mike DeMarce
Mike DeMarce - General Manager

Date: March 10, 2022

EXHIBIT A

